

# The President's Daily Brief

14 December 1973

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# THE PRESIDENT'S DAILY BRIEF

14 December 1973

#### PRINCIPAL DEVELOPMENTS

There are continuing reports that Syria its civilian population and military for				
wartime footing.	25X1			
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rael	(Page 3) 25X1			
Syria l	25X1 Page 5, 25X1 <sub>X1</sub> 25X1 25X1			
Yasir Arafat may be approaching the US on a settlement that would provide for a "Palestine" state Jordan's former west bank and Gazafederated with Israel. (Page 7)				
Vietnam	25X1			
	(Page 8) 25X1			
The North Koreans have toned down their claims in the Yellow Sea, at least for They did not raise the issue at yester of the Military Armistice Commission.	the moment. day's meeting			
Despite Moscow's claim this week that it is reducing its military budget, the gradual growth in Soviet defense spending evident since 1969 will in fact continue in 1974. (Page 10)				
Six Arab states have agreed to form a sinvestment company to finance Arab agr	\$230-million icultural			

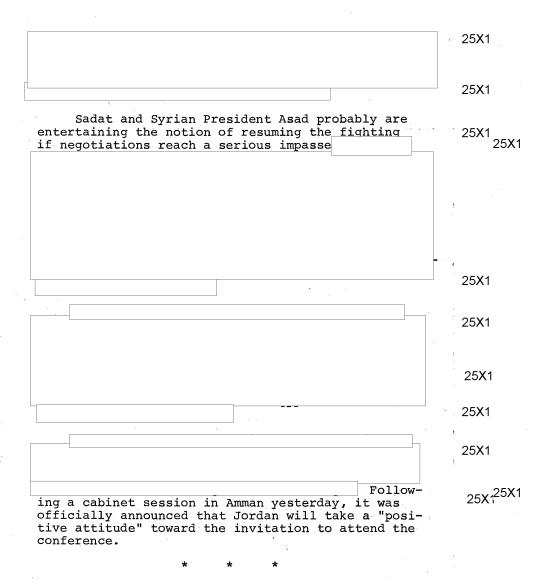
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and shipping ventures. (Page 11)

# MIDDLE EAST

There are continuing reports from a variety of sources that Syria is putting its civilian population and military forces on a wartime footing.

	Da	
	mascus armed its popular militia	25 <b>X</b> 1
	and distributed gasoline-powered generators to	
	bakeries throughout Syria. The distribution of	
	generators suggests the government is taking	
	stone to ensure food supply in the event hos-	
	steps to ensure food supply in the event hos-	25 <b>X</b> 1
	tilities are resumed. Similar measures report-	23/1
	edly were taken prior to the October 6 attack.	
	the	25X1
	Syrian Ministry of Planning has been put on a	
	"war basis" and that other ministries and	
	schools have been alerted to be ready to follow	
	suit.	
	date.	
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		25 <b>X</b> 1
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L	the situation on	·25 <b>X</b> 1
	the Syrian front is "extremely strained" and	•
	that "hostilities could start at any moment."	
	all Syrian forces at	25X1
	the front have been in a maximum state of alert	
	since December 8 and that there have been sig-	
	nificant Syrian troop movements and reinforce-	
	ment in the area. The Syrian Army is said to	
	be bitter over the government's acceptance of	
	the cease-fire and eager to resume the fighting.	
	the cease-life and eager to resume the lighting.	
		25X1
		20/(1



Only scattered incidents were noted on the Golan and Suez fronts yesterday. In the most serious incident, Egyptian and Israeli tanks exchanged fire for about an hour in the area of the main Cairo-Suez road. Both Israeli and Egyptian aircraft were detected flying reconnaissance missions and defensive patrols. Cairo claims to have downed one Israeli reconnaissance aircraft over its territory, apparently an unmanned drone which sources in Tel Aviv said had gone astray.

EGYPT-SYRIA-ISRAEL	

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#### SYRIA

From all outward signs, President Asad seems to be fairly secure in power. Syria's politics have always been so precarious, however, and information on internal Syrian affairs so sketchy and contradictory, that it is impossible to assess Asad's staying power with confidence. Clearly, he is under heavy pressures from both political allies and foes.

Just before the outbreak of war there were numerous--often conflicting--reports of attempts to overthrow him on the part of his long-standing enemies: right-wing exiles in Beirut, leftist Baath exiles in Baghdad, rival claimants to power with support in the army or the Syrian Baath Party, and members of the majority Sunni Muslim community who resent the predominant position Asad has given members of his own smaller Alawite sect. When the fighting broke out, however, Asad's enemies rallied to support the war effort. Now many of them are said to be critical of Asad's decision to accept a cease-fire, as are many of his previous supporters.

The initial opposition to Asad's handling of the war came from some of the fedayeen and from the Iraqis, who had sent a sizable force to Syria's assistance. These groups were joined by those Syrians who have always been sympathetic to the more radical Iraqi variety of Baathism.

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Discontent among Sunni military officers is probably the most serious threat to Asad, whose regime depends on army support.

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Asad has reason to be concerned about their loyalty and is making efforts to repair his standing with them. To help him, he has over the years developed a network of supporters--often hand-picked--in the armed forces, the security apparatus, and the party. He also has formed an elite 10,000-man security force under the command of his brother.

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There is also considerable pressure on Asad to resume the fighting. Apparently most of the Syrian leadership, including Asad himself, agreed to the halt with great reluctance, and many officers are said to believe that the cease-fire cheated them of an opportunity to regain at least some of the ground they lost in mid-October. Syrians do not believe that Israel wants peace, and most probably would rather fight the Israelis than negotiate. If the peace talks drag out, Asad will have his hands full coping with their sentiments, assuming that he does not lose all patience with the Israelis himself.

#### FEDAYEEN-US

President Houphouet-Boigny of the Ivory Coast has received a private message from Yasir Arafat which he says is actually an approach to the US on a Palestinian settlement.

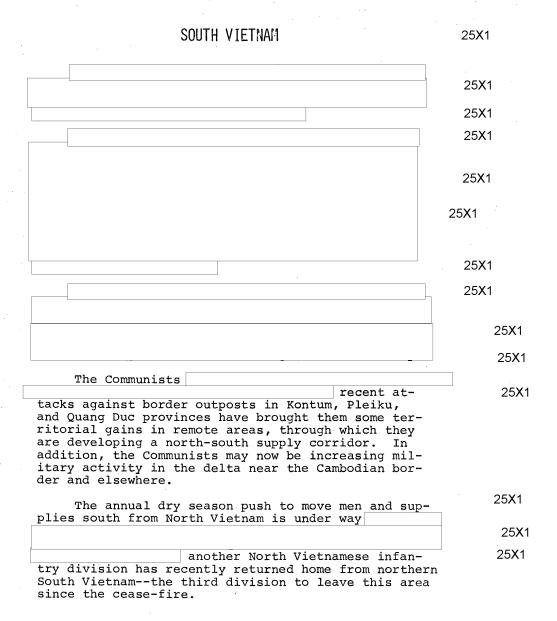
As reported to Ambassador Root in Abidjan, the message from Arafat asserts that:

- -- the Palestine Liberation Organization in no way seeks the destruction of Israel, but accepts its existence as a sovereign state;
- --the PLO's main aim at the Geneva conference will be the creation of a Palestinian state out of the "Palestinian part of Jordan," plus Gaza;
- --Arafat is personally prepared for a phased development from a confederation of Israel and the new state to a simple federation. He is not ready to divulge this to other Arab states, however, although he claims that all the PLO except the extremist wing supports him;
- --Arafat has chosen the Ivorian President as the exclusive intermediary for this message because Houphouet enjoys the full confidence of the United States.

The bearer of this message was Dr. Asam Sartawi, a respected US-trained surgeon who has been associated with Arafat's Fatah and with a Palestinian liberation group of his own, and is one of the more moderate members of the PLO executive committee. Sartawi was in Abidjan last week at the head of a PLO delegation and reportedly spent considerable time with the President.

The Ivorian ambassador to the US is to carry this message when he returns to Washington early next week.

The message may well be a genuine effort by Arafat to approach the United States through an intermediary who can be trusted by both sides. A Palestine federated with Israel would not be the kind of proposal the PLO leader would want to make through an Arab channel, and the concept is one that Arafat would have to oppose publicly unless it were put forward during negotiations as the last chance for a Palestinian-run state.



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### KOREA

Pyongyang appears to be playing down, at least for the moment, its claim to waters surrounding the five islands in the Yellow Sea. The Communists did not raise the issue at the preliminary meeting of the Military Armistice Commission yesterday. The meeting, requested by the North Koreans, took place after South Korean vessels had traveled to and from islands in the disputed waters without obtaining permission from Pyongyang.

The North Koreans had already modified their threat, made at the full MAC session on December 1, to act against any vessels attempting passage without prior clearance. A week later, they said this action would apply only to ships carrying out "reconnaissance and other hostile acts."

Some 40 North Korean boats now routinely patrol the waters around the South Korean-controlled islands that lie within Pyongyang's claimed 12-mile limit. On December 11, three of these boats made	25 <b>X</b> 1
high-speed passes at South Korean vessels	25X1
	25X1
	25X1

# **USSR**

The 1974 Soviet defense budget announced on December 12 will amount to 17.6 billion rubles, a decline of about 2 percent from last year's 17.9 billion total, which has held constant since 1969. Military spending, according to the announcement, will decline to 9.1 percent of the national budget from last year's 9.9 percent. Despite these claims, intelligence estimates indicate that the gradual growth in Soviet defense spending evident since 1969 will in fact continue in 1974. Moreover, the pace is expected to quicken in 1975 and 1976 when the USSR begins putting in place ICBM systems now under development.

The Soviets use their announced budget for political purposes, and they apparently hope that it will convey to domestic and foreign audiences a sense of confidence that further progress in detente will be made.

## NOTE

Arab States: Six Arab states--Egypt, Saudi Arabia, Kuwait, Abu Dhabi, Qatar, and Sudan--have agreed to form a \$230-million investment company to finance Arab agricultural and shipping ventures. The company is being hailed as the first project motivated by last week's Arab League decision to repatriate foreign deposits for investment in Arab countries. The capitalization involved will not lead to any noticeable drawdown in Arab holdings in the US or Western Europe. Similar companies have appeared in the Middle East over the past five years, but so far they have not made much impact.